

HYDRODOLLARS

THE PRIVATISATION OF WATER

The trend towards privatising the world's water supplies and applying full-cost pricing policies means that millions of people are losing access to an already scarce resource.

by Susan Bryce © 2000–2001

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There once was a time when water fell freely from the clouds in the sky and bubbled from the springs in the hills...when the rivers, streams and lakes were full to the brim...when ancient underground aquifers flowed like great veins beneath the continents...when water nurtured our people, like babes sustained by their mother's milk.

Today, water has become a scarce resource. Climate change has wreaked havoc with the weather, and the clouds no longer pour their tears of life upon our great forests. Vast agricultural lands suck rivers and streams dry. Our lakes are choked with dead fish which have been suffocated by industrial pollutants. The bowels of the Earth are constantly relieved of their waters, millions of years old.

Experts predict that by the year 2025 our world will be suffering from the dramatic effects of hydrological poverty. There will be great disputes and even wars over water. "Failure to act could damage the planet irreversibly, unleashing a spiral of increased hunger, deprivation, disease and squalor."¹

Thankfully, action has been taken—at the highest level—to avert this apocalyptic nightmare. By declaring water a commodity—an economic good, to be measured, apportioned and regulated by corporations—the tide of disaster will be stemmed. This momentous decision has been made for us by a handful of transnational corporations and members of the United Nations system of organisations. This self-appointed group have mandated themselves the custodians of the world's water resources. They concede that the full-cost pricing of water, for domestic, agricultural and industrial use, will be a painful adjustment for humanity. But they argue that this is a small price to pay for water security, for their guardianship of our most precious resource.

With the blessing of national governments, a vigorous and dynamic agenda to privatise the world's water supplies is being pursued. Traditional and indigenous rights are acknowledged, then cast aside. National sovereignty is affirmed, then eroded. Access to water—a God-given or a human right—is recognised, then suspended.

The old economy has been fuelled by oil. The new economy will be fuelled by hydrodollars. A globalised trade in water is being created² and we, the people, are to become the consumers in this multitrillion-dollar market.

This article examines the unbelievable reductionist thinking, social ruthlessness, arrogant ignorance and alienating mindset of a group of elite planners and transnational corporations spearheading the drive to commodify our water.

THE ZERO HOUR FOR WATER

Academics, scientists, politicians and hydrological experts are today in agreement that the world faces a grave water crisis. Using mathematical modelling,³ they have been able to predict that by 2025 at least 40 per cent of the projected world population of 7.2 billion may face serious problems with agriculture, industry or human health if they rely solely on natural endowments of fresh water. Severe water shortages could strike particular regions of water-rich countries such as the USA and China.⁴

Already, 26 countries have more people than their water supplies can adequately support. Tensions are mounting over scarce water in the Middle East and could ignite during this decade. Competition for water is intensifying between city dwellers and farmers around Beijing, New Delhi, Phoenix and other water-short areas.⁵

All the evidence points to the first quarter of the 21st century being the "zero hour" for water in some parts of the world. The possibility of a water scarcity has been raised

before, but only in the last few years has the language of crisis become all-pervading.⁶

International discussions about the world's water supplies began in 1977 when the United Nations held the first World Water Conference in Mar del Plata, Argentina. The Conference declared the 1980s to be the "UN International Drinking Water Supply and Sanitation Decade". The altruistic goal was to ensure all people in the world had access to adequate water supplies and sanitation within a decade.

Ten years later, the Brundtland Commission told the world that our approach to development was unsustainable—but it had little to say about water.

Then, in 1992, the Rio Conference on Environment and Development, in its "Agenda for the 21st Century" (known as "Agenda 21"), addressed fresh water in chapter 18 of its report.

In 1996, the World Water Council, a private think-tank, was formed. The founding members were Egypt's Ministry of Public Works and Water Resources, the Canadian International Development Agency and the French transnational water corporation Suez Lyonnaise des Eaux. Other organisations supporting the start-up of the World Water Council were:

- International Commission on Irrigation and Drainage (ICID)
- International Water Resources Association (IWRA)
- Istituto Agronomico Mediterraneo (CIHEAM-Bari)
- International Water Association (IWA)
- United Nations Children's Fund (UNICEF)
- United Nations Development Program (UNDP)
- United Nations Educational Scientific and Cultural Organization (UNESCO)
- United Nations Environment Program (UNEP)
- United Nations Food and Agriculture Organization (FAO)
- Water Supply and Sanitation Collaborative Council (WSSCC)
- World Bank (WB)
- World Conservation Union (IUCN)
- World Health Organization (WHO)
- World Meteorological Association (WMA)

The World Water Council set about developing its vision for our future: a comprehensive document, *The Long Term Vision for Water, Life and Environment*,⁷ better known by its subtitle, *World Water Vision, Making Water Everybody's Business*.

At a 1998 meeting held in Washington, DC, the World Water Council appointed a group of commissioners to turn the *World Water Vision* into reality. The membership of the World Water Commission, as it became known, reads like a who's who of the ruling elite. The high profile commissioners include:

- Dr Ismail Serageldin (Commission Chair), Vice President, World Bank, and Chair of Global Water Partnership
- Margaret Catley-Carlson, President, Population Council
- Gordon Conway, President, The Rockefeller Foundation
- Mohamed T. El-Ashry, Chair and CEO of the Global Environment Facility

- Howard Hjort, former Deputy Director, FAO
- Enrique Iglesias, President, Inter-American Development Bank
- Yolanda Kababadse, President, World Conservation Union
- Jessica Mathews, President, Carnegie Endowment for International Peace, USA
- Robert S. McNamara, Co-Chair, Global Coalition for Africa
- Maurice Strong, Chair, Earth Council, member of Commission on Global Governance, and a chief adviser in charge of the UN reform process
- Wilfred Thalwitz, former Senior VP, World Bank
- Jerome Mondo, Chair of the Supervisory Board, Suez Lyonnaise des Eaux

CRISIS OR BUSINESS OPPORTUNITY?

Awareness of the impending water crisis has been heightened due to the international World Water Forums, the triennial public meetings of the World Water Council. A number of agreements and principles from the Forums have become the basis upon which corporate control of water is being effected.

More than 4,000 luminaries from around the world attended the

World Water Forum at The Hague in March 2000. Scientists, water experts, government and business leaders and greenwash⁸ organisations were on hand. The *World Water Vision* was formally presented to the Forum by Mikhail Gorbachev's organisation, Green Cross International.⁹

The six-day meeting concluded with 130 government representatives issuing "The Ministerial Declaration of the Hague", a four-page document calling for all relevant organisations to get involved in "integrated water resources management" to ensure "that every person has access to enough safe water at an affordable cost". Hidden among the warm,

fuzzy, double-speak of the Declaration was the real agenda:

*Valuing water: to manage water in a way that reflects its economic, social, environmental and cultural values for all its uses, and to move towards pricing water services to reflect the cost of their provision.*¹⁰

The March 2000 Forum was presented to the world as part of a democratic participative process for water management, when in fact the process was designed by powerful multinationals and elites without taking into account the basic needs of the people. The world's top transnational corporations were well represented, and they released a three-page special joint CEO Statement during the Forum. Nestlé and Unilever (the world's first and third largest food corporations respectively) joined forces with Heineken, ITT and the global water companies DVH, Azurix, CH2M Hill and Suez Lyonnaise des Eaux to declare:

*Water is an economic good and its economic value should be recognised in the allocation of scarce water resources to competing uses. While this should not prevent people from meeting their basic needs for water services at affordable prices, the price for water must be set at a level that encourages conservation and wise use.*¹¹

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Water is already a US\$400-billion global business, yet privatised water so far only accounts for 10 per cent of the world's water utilities. The World Water Commission argues that only private firms can provide the enormous capital, which it estimates at US\$180 billion a year, needed to fix the world's water problems. This entails eliminating generalised subsidies for water and replacing them with prices which offer an attractive return on investment.

WORLD WATER VISION—OR NIGHTMARE?

If we proceed with our "business as usual" approach to water, then the limits of natural and socioeconomic systems will be reached by 2025, the World Water Council warns in *World Water Vision*. At best, we will experience chronic problems, and catastrophes may trigger regional and even global crises. The *Vision* does not elaborate upon exactly what these crises may be, suffice to say that they can be staved off by moving to full-cost pricing for all water services.

Chapter four of *World Water Vision* takes a futuristic look at what the world will be like in the year 2025. Life under the *Vision* will be much different from now:

By 2010, public and private utilities were generally applying full cost recovery...because some low-income households could not afford water, measures were introduced to subsidise these households so that they could pay for water to meet their basic needs. These households also contributed to the cost of their services in kind through their labour for installation and operation.

Exactly how the labour of billions of poor people could be used "in kind" for "installation and operation" is not addressed. One can only assume that the *Vision* would see a return to the days of feudal overlords, when the poor served as slaves who worked for their daily bread—or, in this case, their daily water.

Further along in the *Vision*, water subsidies for the poor (and possibly even the poor themselves) are wiped out, along with subsidies for agricultural water:

A new round of negotiations of the World Trade Organization in 2010 agreed to add water subsidies to the list of unacceptable subsidies to inputs for agriculture. As this policy was implemented in the years that followed, food prices from exporting countries rose slightly, improving farm incomes in developing countries. Prices eventually stabilised around their previous level, but low-income urban dwellers felt the pinch of higher food prices while they lasted.

Commenting on the full-cost pricing of water for agriculture, the *Vision* says:

As a first step, governments had begun decentralising responsibility for operation and maintenance to cooperatives or to private owners—a trend accelerated in the first years of the new century. Because farmers depended on the proper functioning of these systems for their livelihoods, they

ensured operation and maintenance. Again, many farmers and especially lower-income users contributed their services as in-kind contributions to the cost. Appropriate low-cost technology such as treadle pumping of shallow groundwater was widely adopted for holders of small plots. All operation and maintenance subsidies were eliminated. Indirect subsidies to operating costs, such as energy, were also eliminated. This had a major impact on water management in India, which in 2005–15 discouraged groundwater overpumping by gradually eliminating subsidies for the energy to pump water from wells.

The most important point about having a vision is also have a framework for action to implement the vision. Apart from the appointment of the high-profile World Water Commission, the World Water Council spawned a sister entity, the Global Water Partnership, to develop and guide a "Framework for Action".

The Framework document, like all of the documents presented by the World Water Council and its offshoots, uses rhetoric and coloured language in an attempt to make recommendations sound more palatable. References to gender, community empowerment and land reform help paint what are far-reaching proposals to expand and reinforce corporate power over the world's water supplies.

The document contains actions that governments should take to implement the vision. Specifically, it calls for: full liberalisation and deregulation of the water sector (national treatment), whereby transnational corporations are given the same treatment as local enterprises and/or public authorities; transparency in government procurement of water contracts; trade facilitation, where governments should be more service-oriented to the private sector; and privatisation as much as feasible, with mixed public-private partnership agreements being the next best thing. Other recommendations include: the removal

of all price and trade distorting subsidies; dispute settlement over water issues; promotion of agricultural biotechnologies; protection of property rights over water resources; and the demand for a stable and predictable investment climate, which would reinforce investor rights.¹²

THE WORLD BANK: "A world full of poverty"¹³

Several years ago, Dr Ismail Serageldin, Vice-President of the World Bank, said that the wars of the 21st century will be about water.¹⁴ To respond to the escalating crisis, the World Bank has adopted a policy of water privatisation and full-cost water pricing. The basis of the Bank's policies are outlined in the 1992 paper "Improving Water Resources Management", which discusses the importance of pricing and other incentives which encourage consumers to adopt efficient water use practices based upon the relative value of the water:

Charging fees for domestic and industrial water supplies is generally straightforward. In most cases, use can be metered and fees can be charged according to the volume and

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reliability of water used. Economic efficiency would be obtained by setting water charges equal to the opportunity cost of water. However, immediate adoption of such prices often proves to be politically difficult. Thus, given the low level of cost recovery at present and the extent of underpricing, fees that establish the water entity's financial autonomy would be a good starting point to ensure the entity's independence and the sustainability of operations. Both public and private entities should pay for the costs of the water and sanitation services they receive.

The World Bank believes that making water available at no cost, or low cost, does not provide the right incentive to consumers. Its research and experience indicate that:

...when water services are reliable, the poor are willing to pay for them, and that when service is not reliable, the poor pay more for less, typically from street vendors. As pointed out in the 'World Development Report 1992', the poor need to be provided with a wider range of options so they can choose the level of water services for which they are willing to pay, thereby giving suppliers a financial stake in meeting the needs of the poor. Fee schedules can be structured so that consumers receive a limited amount of water at a low cost and pay a higher fee for additional water. Fees set in this manner can correspond to efficiency prices for incremental consumption, even as they provide low base rates that benefit the poor. However, the schedule in aggregate should provide for full-cost recovery; otherwise, the financial viability of the water entity is endangered. Another form of subsidy to the poor, which may be handled through one-time budgetary transactions, is a subsidy for connecting house - holds to the water supply and sanitation network.

The World Bank's matter-of-fact approach to the full-cost pricing of water is a testament to its grandiose illusions, bloated budget and quest for control of people and their resources. Apart from its funding to support water privatisation, the Bank is the world's greatest single source of funds for large dam construction, having provided more than US\$50 billion (1992 dollars) for construction of more than 500 large dams in 92 countries. The importance of the World Bank in major dam schemes is illustrated by the fact that it has directly funded four of the five most significant dam projects in developing countries outside China, three of the five largest reservoirs in these countries, and three of the five largest hydro-electric plants.¹⁵

ENGINEERING CROPS TO BE LESS THIRSTY

In the early 1970s, there was a global surge in irrigation development. Irrigation was the lead factor in the Green Revolution, which resulted in the high-yield rice, wheat and maize varieties which are dependent upon the liberal use of inorganic fertilisers. The new crops of the Green Revolution displaced local foods, and the diets of many people in the world

became dangerously low in iron, zinc, vitamin A and other micronutrients.¹⁶ Transnational chemical companies which supplied the petrochemical-based fertilisers, pesticides and herbicides that fuelled the Green Revolution expanded their control and influence in the agricultural sector.

Today, 70 per cent of the world's water is used for crop irrigation. As the population grows, irrigated land is expected to become increasingly significant in feeding people. But the impending water crisis will push many croplands to the brink of disaster, as there will be insufficient water to irrigate our food crops. Compounding the problem is the fact that further expansion of agricultural lands cannot be sustained due to the effects of agrichemicals (soil erosion, salinity, poisoning of water, etc.).

Over the last 10 years, agrichemical companies have been shifting their interests from chemicals to the life sciences, where the future profits lie. The revolution in biotechnology has been dubbed the "Double Green Revolution" by its advocates, who claim that it will not only provide more food for more people (the same argument that fuelled the original Green Revolution), but that seeds can be genetically engineered to be less thirsty.

This is a critical development which will see corporations turn the crisis of pollution and depletion of water resources (which they helped create in the first place) into a business opportunity, as control of the world's seed stock and water resources becomes the new frontier for private investors.

The chemical giant Monsanto has already positioned itself as a major player in the life sciences via its control over seed, the first link in the food chain. In a report for the organisation Corporate Watch, Dr Vandana Shiva describes Monsanto's new interest: water.¹⁷ She cites a Monsanto strategy paper which outlines the company's plan for corporate control of water:

First, we believe that discontinuities (either major policy changes or major trendline breaks in resource quality or quantity) are likely, particularly in the area of water, and we will be well positioned via these businesses to profit even more significantly when these discontinuities occur. Second, we are exploring the potential of non-conventional financing (NGOs, World Bank,

USDA, etc.) that may lower our investment or provide local country business-building resources.

For Monsanto, "sustainable development" means the conversion of an ecological crisis into a market of scarce resources:

The business logic of sustainable development is that population growth and economic development will apply increasing pressure on natural resource markets. These pressures and the world's desire to prevent the consequences of these pressures if unabated will create vast economic opportunity. When we look at the world through the lens of sustainability, we are in a position to see current and foresee impending resource market trends and imbalances that create market needs. We have further focussed this lens on the resource market of water and land.

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Monsanto projects revenues of \$420 million and net income of \$63 million by 2008 from water resource developments in India and Mexico alone. The Monsanto paper states:

We are particularly enthusiastic about the potential of partnering with the International Finance Corporation (IFC) of the World Bank to joint-venture projects in developing markets. The IFC is eager to work with Monsanto to commercialize sustainability opportunities and would bring both investment capital and on the ground capabilities to our efforts.

THE PERILS OF PRIVATISATION

According to Maude Barlow,¹⁸ author of *Blue Gold: The Global Water Crisis and the Commodification of the World's Water Supply*: "The privatisation of municipal water services has a terrible record that is well documented. Customer rates are doubled or tripled; corporate profits rise as much as 700 per cent; corruption and bribery are rampant; water quality standards drop, sometimes dramatically; overuse is promoted to make money; and customers who can't pay are cut off... When privatisation hits the Third World, those who can't pay will die."

This brief summary demonstrates the extent of commodification so far, and highlights some of the failures.

Developing World

Programs which transfer existing government-managed water systems to private firms, financially autonomous utilities and water user associations are being implemented in Latin America (Argentina, Colombia, and Mexico); Asia (Bangladesh, Indonesia, Nepal, Pakistan, The Philippines and Sri Lanka); Africa (Côte d'Ivoire, Madagascar, Morocco, Niger, Senegal and Tunisia); and Eastern Europe (Hungary).

In some countries, such as Indonesia, Nepal, The Netherlands and Sri Lanka, the tradition of farmer-managed water service systems is centuries old.

• Argentina

The state-run water company Obras Sanitarias de la Nación was sold to Aguas Argentinas, a private company owned by Suez-Lyonnaise des Eaux of France. Aguas Argentinas expanded the water network to 600,000 new residents. Aguas Argentinas has promised to cut prices by 27 per cent and to invest US\$4 billion in improving services over a 30-year period. The International Finance Corporation (a subsidiary of the World Bank) provided a \$172.5 million loan to Aguas Argentinas in 1994.

Some people in the centre of Buenos Aires have benefited from the privatisation, but those outside the capital say water is more expensive and the service has not improved.

"On many days there is no water," says Marcelo Paoletti, an activist from an Argentine group called the Ecologist Workshop. He lives in Rosario, the country's second largest city. Paoletti's bills add up to 24 pesos (US\$24) a month, more than when the water supply was publicly managed.

Aguas Argentinas has also been criticised a number of times by the state regulatory authorities for corporate misconduct and failure to provide acceptable service standards.¹⁹

• Bolivia

As Maude Barlow explains,²⁰ in 1998 the World Bank:

"...refused to guarantee a US\$25-million loan to refinance water services in Cochabamba, Bolivia's third-largest city, unless the government sold the public water system to the private sector and passed on the costs to consumers. Only one bid was considered, and the utility was turned over to a subsidiary of a conglomerate led by Bechtel—the giant engineering company implicated in the infamous Three Gorges Dam in China, which has caused the forced relocation of 1.3 million people.

"In January 1999, before it had even hung up its shingle, the company announced the doubling of water prices. For most Bolivians, this meant that water would now cost more than food; for those on a minimum wage or unemployed, water bills suddenly accounted for close to half their monthly budgets. To add insult, the World Bank granted monopolies to private water concessionaires, announced its support for full-cost water pricing, pegged the cost of water to the US dollar, and declared that none of its loan could be used to subsidize the poor for water services. All water, even from community wells, required permits to access, and peasants and small farmers even had to buy permits to gather rainwater on their property."

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Developed Nations

• Australia

A report, *A Vision for Australia's Water Resources 2025*, was prepared for the World Water Forum 2000 by Integrated Resource Management Ltd under contract from UNESCO. The Australian report recommends water pricing related to volume and timing, as well as the elimination of

subsidies.²¹

Australia has already undertaken a program of far-reaching changes in the way the water sector is organised and managed, with an increasing role for the private sector. In 1994, the Council of Australian Governments (COAG) declared that "business as usual" in the rural water industry was not a viable option for irrigators—or the environment.²² They are now implementing changes which will affect pricing, water allocations, institutional arrangements and environmental management. These reforms are to be implemented together, as a package, this year.

The reform package includes a COAG agreement to introduce full-cost recovery pricing in rural areas by 2001. This means current prices paid for water are likely to rise. In some cases, prices have escalated already. Many local governments in Australia have made rainwater tanks and recycling of grey water illegal.²³

• Britain

Since the privatisation of water services in Britain during the Thatcher Government, prices skyrocketed by up to 450 per cent, averaging an increase of 67 per cent. Thousands of people, unable to pay their bill, had their water service cut. As a result, dysentery increased sixfold, leading the British Medical Association to condemn privatisation because of the related health risks. While the companies are hugely profitable and executive

incomes soar, no effort has been spared in maximising revenues. In one instance, a water company began billing a rural resident who was serviced by a well. The company argued that the rain falling on the resident's property was making its way into the storm drainage system and therefore the resident should pay a fee.²⁴

• Canada

Water is becoming a commodity to be traded and sold. Pressures within Canada to privatise control of municipal water services and treat water resources as an export commodity are increasing. French and British companies are vying with American firms to control Canada's water services.

Many municipalities have entered into "partnerships" with private organisations. Moncton, for example, has entered into a 20-year agreement that will see the city's water filtration plant maintained and operated privately. The company, US Filter, will build the plant and sell it to the city upon completion, in exchange for a guarantee that it will have exclusive rights to sell Moncton its drinking water. The company has sought status as a municipality for tax purposes, arguing that it should be exempt from GST.²⁵

• France

In France, private companies have been prosecuted for providing water that's polluted and unfit to drink. A French Government report revealed more than 5.2 million citizens received "bacterially unacceptable" water. Corruption is also rampant, with water-related bribery schemes resulting in convictions of municipal officials and water company board members under investigation. French cities with private water charge 30 per cent more than cities with public water. In France as well as Germany and the Czech Republic, municipalities guarantee payments to companies if consumption or prices are not sufficient to ensure a profit.²⁶

• USA

In the past five years, privatisation of water utilities in the US has expanded. The major utilities, Consumers Water Co., Dominguez Services, Southwest Water, Connecticut Water and E'Town Corp have seen returns of more than 20 per cent for investors.

In February 2001, US Water News Online²⁷ reported a move towards the concept of "zero depletion" for water in the state of Kansas. Governor Bill Graves's proposal entails having a "zero depletion" policy in place for Kansas aquifers by 2020. It would mandate that the water taken from an aquifer over a certain period of time not exceed the rate at which the water is recharged. A task force on water issues that Graves appointed as part of his "Vision 21st Century Initiative" advocated a zero depletion policy.

California will receive surplus water from states in the Colorado River basin under a deal signed recently that commits the state to improving its water conservation efforts. The accord commits California to reducing its reliance on Colorado River water over the next 15 years, with the goal of reaching its

allotment of 4.4 million acre feet per year. Without the deal, California would have faced potentially costly litigation by the other six states in the river basin: Utah, Wyoming, Colorado, New Mexico, Arizona and Nevada.

To increase water availability in the next 15 years, regional authorities will consider steps such as desalinating seawater and transferring water from elsewhere in California and out of the state.

WORLD WATER NIGHTMARE, 2001–2025

In the year 2025, we look back to see what happened after water became a commodity and to study the effect of hydrodollars on the new economy. Instead of a world of prosperity and plenty, we see a World Water Nightmare.

By 2025, the global trade in illegal water has become rife. The number of deaths from polluted and black market water is on the increase. Another class of water pollutants is running rife: residues of pharmaceutical drugs given to people and domestic animals. They are being measured in increasing quantities in surface water, in groundwater and in drinking water at the tap.

In the developing world, millions have died from thirst and starvation. Water wars have decimated the Middle East, China and parts of the USA. Vast tracts of farmland have become wasteland, handed over to the corporations which control the expansive allotments where our food is grown.

The commodification of water did not create "sustainable agriculture" or help the environment. The world has almost collapsed from soil acidity. Biotechnology, the science that promised food, health and hope for the world, has betrayed its proponents. In 2025, we see the results of genetically engineering crops to be less thirsty and more productive. The great famines which the world

is currently experiencing are a direct result of monoculture based upon genetically engineered seed stocks. The price of food is out of reach of many urban dwellers. At first, they turned to home gardening—before it was declared illegal. Now they have no choice but to contribute to the cost of their food and water in kind through their toil. Or die. The life sciences have become the death sciences.

If only we had taken action when these plans were first revealed. If only our protests had not fallen on deaf ears. If only our governments had challenged the statements made at the World Water Forum 2000. Instead, they acquiesced to the plans, sending their ministers, advisers, bureaucrats and scientists to take part. The very future of humanity on Earth has been gravely imperilled by greedy, dishonest, power-hungry politicians and corporations. They have succeeded in reducing every component of Nature to an economic commodity. They have abrogated the ethics and spirit of life preservation and replaced them with the values of corporate consumerism.

The commodification of water... Genetic engineering and patenting of traditional seed stock... Control water, control food, control people... A truly dark age is upon us.

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Endnotes

1. UN Press Release GA/9259 ENV/DEV/424, 23 June 1997. In 1997, a special session of the UN was called to review and appraise the implementation of "Agenda 21", the program of action adopted by the United Nations Conference on Environment and Development (UNCED) held in Rio de Janeiro in June 1992. These remarks were made by UN Secretary-General Kofi Annan in a media release discussing the consequences if Agenda 21 is not implemented.
2. Water is now traded on the Internet. At water2water.com, you can buy, sell, trade or auction water 24 hours a day.
3. Readers will recall that mathematical modelling was also used by the Club of Rome in its 1972 report, *The Limits To Growth*, which predicted disaster unless the world's population was capped.
4. Gleick, Peter H., "Making Every Drop Count", *Scientific American*, February 2001, pp. 29-33. Also see *Journal of the American Water Resources Association*, vol. 25, no. 6, December 1999, which examines the metadata for almost 900 bibliographic references on the effects of climate change and variability on US water resources.
5. For more details, see "The Last Oasis: Facing Water Scarcity" by Sandra Postel. Her study, funded by the Ford Foundation, was published in 1992 and re-released in 1997 as part of the Worldwatch Environmental Alert Series. Postel's warnings were reiterated by UN Secretary-General

Kofi Annan on the occasion of the World Water Forum in March 2000. Annan's media release was titled "UN committed to ensuring world water security and 'Blue Revolution'", says Secretary-General in message to World Water Forum"; see UN Press Release SG/SM/7334 ENV/DEV/534.

6. For example, in UN Press Release SG/SM/5931 of 1996, "International community must act to avert impending water supply catastrophe", the then UN Secretary-General Boutros Boutros-Ghali described the impending water crisis as "one worse than the oil crisis of the 1970s". He was speaking on the occasion of World Water Day in March 1996.
7. The first draft of *World Water Vision* was available in 1997. A second draft came in 1999. The completed *Vision* document was presented at the World Water Forum in March 2000.
8. A "greenwash" is where transnational corporations preserve and expand their markets by posing as friends of the environment and enemies of poverty. Greenwash takes many forms: from a pious concern for the environment, expressed in expensive advertising campaigns, to the "continuous improvement" ballyhooed in voluntary codes of conduct; from the creation of benign-sounding corporate front groups, to the participation of TNCs in environmental conferences and events. All these efforts share the goal of avoiding national and international sanctions on dirty TNC operations, which are at the root of many global environmental crises. See Kenny Bruno and Jed Greer's book, *Greenwash: The Reality Behind Corporate*

Environmentalism, published by Third World Network and APEX Press, 1996.

9. The mission of Green Cross International is to help create the conditions for a sustainable future by cultivating a more harmonious relationship between humans and the environment. Green Cross International's President, Mikhail Gorbachev, was invited to guest-edit a special edition of *Civilization*, the magazine of the US Library of Congress, on the global water crisis. The edition was launched at a special event in Washington, DC, on 10 October 2000. Green Cross International has been granted General Consultative Status with the Economic and Social Council (Ecosoc) of the United Nations. Its honorary board members include Dr David Suzuki, Shimon Perez, Javier Perez de Cuellar, Rudolph Lubbers and Dr Thor Heyerdahl. Green Cross International has played a critical role in the development of the Earth Charter.
10. Ministerial Declaration of The Hague, agreed to on Wednesday 22 March 2000 at the World Water Forum.
11. Companies participating in the World Water Forum CEO Panel on business and industry and endorsing this statement were: Azurix (USA); CH2M Hill Companies Ltd (USA); DHV (The Netherlands); Heineken NV (The Netherlands); ITT Industries (USA); Suez Lyonnaise des Eaux (France); Nestlé SA (Switzerland); Nuon (The Netherlands); Severn Trent PLC (UK); Unilever

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NV (The Netherlands); Vivendi Water (France).

12. Corporate Europe Observer, "And Not A Drop to Drink! World Water Forum promotes privatisation and deregulation of the world's water", issue 7, www.xs4all.nl/~ceo/.

13. The World Bank's mission statement is "A world free of poverty".

14. The *Jerusalem Morning Post* of 1 February 2001 warned that Israel's current water crisis was the "worst in history". Water Commissioner Shimon Tal declared that, for the first time since the establishment of the state, more water is expected to be supplied for domestic use this year than for agriculture due to plans to cut fresh water quotas for farming by an average of 50 per cent. The issue of Water for Peace in the Middle East was raised at the World Water Forum 2000. Mikhail Gorbachev (representing Green Cross), Minister Mahadin of Jordan (in Jordan, the water shortage is becoming permanent and water may very well become a reason for conflicts), John Frydman of Israel, and Ambassador Yousef Habbab of the Palestinian Authority deliberated upon the issue of water and peace in the Middle East.

15. Since 1948, the World Bank has financed large dam projects which have forcibly displaced in the order of 10 million people from their homes and lands. The Bank's own 1994 "Resettlement and Development" review admits that the vast majority of women, men and children evicted by World

Bank-funded projects never regained their former incomes nor received any direct benefits from the dams for which they were forced to sacrifice their homes and lands.

16. Monsanto has addressed this problem by creating a new genetically engineered "Golden Rice" containing beta-carotene (a source of vitamin A). Golden Rice is now being promoted as the solution to vitamin A deficiency in the developing world.

17. "Monsanto expanding monopolies from seed to water", Corporate Watch, August 1999, www.corpwatch.org/trac/corner/worldnews.

18. Barlow, Maude, "Water Is A Basic Human Right – Or Is It?", *Toronto Globe and Mail*, Canada, 11 May 2000, www.theglobeandmail.com/hubs/national.html [also quoted in NEXUS 7/05 Global News].

19. For further details, see www.whirledbank.org/development/private.html.

20. Barlow, *ibid.*

21. *A Vision for Australia's Water Resources 2025*, Final Report, November 1999, prepared for the World Water Council by Integrated Resource Management Research Pty Ltd, Brisbane, Australia (UNESCO Contract BL 21-05), www.catchment.com.

22. Council of Australian Governments Communiqué, Hobart, 25 February 1994, www.dist.gov.au/science/pmsec/14meet/inwater/ap3form.html.

23. National Competition Council, Second Tranche Assessment of Progress on Water Reform in NSW and Queensland,

<http://nccnsw.org.au/member/wetlands/projects/campaigns/nccass1.html>.

24. Extracted from Alberni Environmental Coalition On-Line Library, CUPE's Annual Report on Privatization, 1999,

www.portaec.net/library/ocean/water/profitting_from_water.html.

25. *ibid.*

26. *ibid.*

27. See www.uswaternews.com/homepage.html.

About the Author:

Susan Bryce is an Australian journalist and author of more than 70 published research articles. Susan publishes the *Australian Freedom & Survival Guide*, which aims to undermine the pervading myths surrounding the corporate consumer culture, globalisation and the New World Order.

AF&SG encourages public debate and questioning of issues which are fundamental to our future freedom and survival. These issues include genetic engineering, food irradiation and related issues, Big Brother and the international surveillance regime, corporate power and global governance, and self-sufficiency in the 21st century.

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